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12 January 1979

TRANSLATIONS ON VIETNAM
(FOUO 1/79)

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MILITARY AFFAIRS AND PUBLIC SECURITY

INFORMATION ON VIETNAMESE MILITARY UNITS

The following information on Vietnamese military units was extracted from Vietnamese press sources published in Hanoi, unless otherwise indicated. Unit designators and subordination are as they appear in the original source. The remarks include a brief summary of the salient information available in the news items.

<u>Unit</u>	<u>Remarks</u>
Yen Vien Machinery Factory Self Defense Bn, Hanoi	Activated on 11 Nov 78. (HANOI MOI 14 Nov 78 p 1)
707th Regt, 773rd Gp, Tay Nguyen Forces	Commander: Trần Ngô. Principle unit constructing the Dac Uy Water Conser- vancy Project north of Kon Tum City. Was preparing to leave on a new assign- ment. (DAI DOAN KET 21 Oct 78 p 14)
103rd Military Hospital	Unit doctor writes article about hair. (KHOA HOC VA DOI SONG 16 Oct 78 p 11)
857th Bn, Cuu Long Province Forces	Nearly all personnel are very young. Fought against Cambodians on border. (THANH NIEN Sep 78 p 2)
501st Bn, Cuu Long Province Forces	" " " "
Tat Thang Artillery Gp Quyut Thang Corps	Training, combat readiness and economic activities reported. (TAP CHI QUAN DOI NHAN DAN Oct 78 pp 50-57)
67th Anti Aircraft Artillery Gp	Self support farming activities reported. (TAP CHI QUAN DOI NHAN DAN Oct 78 pp 58- 62)
773rd Corps	Cited as an organization that achieved good results in newly developed areas. (TO QUOC Oct 78 p 17)

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13th Regt	Located in the Central Highlands of Vietnam. (PHU NU VIETNAM 8-14 Nov 78 p 7)
Thanh Xuyen Gp, People's Armed Public Security Forces (PAPSF)	Assigned a mobile combat mission. On 25 Aug 78 its units were located within 12 kilometers of the Huu Nghia Friendship Bridge on the PRC border concentrating on that location following a border incident. (THE DUC THE THAO 14 Oct 78 p 3)
Song Thao Engineer Gp	Photo shows unit members in river crossing exercise. (QUAN DOI NHAN DAN 22 Nov 78 p 1)
Song Giang Anti Aircraft Artillery Gp, 4th MR	Maintained skeleton crews at gun positions while majority of personnel used in flood relief work in Nghi Xuan and Hung Nguyen Districts, Nghe Tinh Province. (QUAN DOI NHAN DAN 22 Nov 78 p 1)
Factory X2, 3rd MR	Produced parts for arms and armaments, completing annual plan 2 months ahead of schedule despite shortage of steel, gas and oil. (QUAN DOI NHAN DAN 22 Nov 78 p 1)
Sao Vang Gp, 1st MR 14th AAA Bn	Living conditions described. (QUAN DOI NHAN DAN 22 & 23 Nov 78 p 3)
Van Co Gp	Has been fighting Cambodians for at least 1 year. Among enemy units engaged was the 512th Regiment. (QUAN DOI NHAN DAN 22 Nov 78 p 3)
Transportation Forces N.25 Regt N.10 Regt Binh Tram 18 Binh Tram 21 Binh Tram 23 Binh Tram 78	Commended for vegetable farming. (NHAN DAN 23 Nov 78 p 3)
476th Gp, Tay Bac Forces	" " " "
40th Anti Aircraft Artillery Gp	Cadre training noted. (QUAN DOI NHAN DAN 23 Nov 78 p 1)

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31st Economic Construction Gp, 5th MR -Unit 107	Farming and training cadre. -conducted live fire exercise with 105mm howitzers. (QUAN DOI NHAN DAN 23 Nov 78 p 1)
95th Gp, 5th MR	Unit member uses claymore mine to wipe out Cambodian patrol. (QUAN DOI NHAN DAN 23 Nov 78 p 1)
31st Gp	Production unit cited in editorial for production achievements. (QUAN DOI NHAN DAN 23 Nov 78 p 1)
33rd Gp	" " " "
60th Gp	" " " "
71st Gp	" " " "
75th Gp	" " " "
84th Gp	Engaged in road construction. Cited in Editorial. (QUAN DOI NHAN DAN 23 Nov 78 p 1)
41st Gp	" " " "
70th Gp	" " " "
35th Gp	" " " "
15th Gp	" " " "
2nd Bn, 03 Gp, Naval Forces	Commended for strict adherence to train- ing schedule. Photo shows men firing the B.40. (QUAN DOI NHAN DAN 24 Nov 78 p 1)
63rd Anti Aircraft Artillery Gp	Farming accomplishments reported. (QUAN DOI NHAN DAN 24 Nov 78 p 1)
Highway 16 Road Construction Corporation Self Defense Regt	Activated on 19 Nov 78. (NHAN DAN 23 Nov 78 p 1)
B.11 Gp	Recruit training unit. Commended for self support farming under difficult natural conditions. (QUAN DOI NHAN DAN 24 Nov 78 p 1)

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2nd Gp	Unit member, writing from letter box 4R-1689, Bien Hoa, complains of poor newspaper receipts. They pick up newspapers at "T" Village, Chau Thanh District, Tay Ninh Province. (QUAN DOI NHAN DAN 24 Nov 78 p 2)
Ha Long Missile Gp	Training activities enhance combat effectiveness. (QUAN DOI NHAN DAN 27 Nov 78 p 1)
Sao Vang Gp, 1st MR -14th Bn	Report on feeding troops. -Political Officer: Hoàng Văn Kháng. (QUAN DOI NHAN DAN 27 Nov 78 p 3)
Post 127, PAPSF, Song Be Province	Border defense activities against Cambodians noted. (QUAN DOI NHAN DAN 27 Nov 78 p 3)
26th Gp	Improvement in discipline reported. (QUAN DOI NHAN DAN 27 Nov 78 p 1)
Air Force Branch Thang Long Gp Sao Do Gp Yen The Gp Hai Van Gp Cuu Long Gp Thang Long Gp 16th Gp 18th Gp	High rate of flight training maintained in subordinating units. (QUAN DOI NHAN DAN 27 Nov 78 p 3)
Thang Tam Anti Aircraft Artillery Gp	Training reported. (QUAN DOI NHAN DAN 28 Nov 78 p 1)
Rear Service General Department 92nd POL Pipeline Gp 109th Military Hospital 33rd Truck Transportation Gp 10th Truck Transportation Gp 105th Military Hospital 169th POL Pipeline Binh Tram 26th Signal Bn	Unit improvement results reported. (QUAN DOI NHAN DAN 28 Nov 78 p 3)
200th Troop Rehabilitation Gp, 4th MR	Self support farming accomplishments noted. (QUAN DOI NHAN DAN 28 Nov 78 p 3)
17th Co, 87th Infantry Gp	Photo of crew member cleaning mortar. (QUAN DOI NHAN DAN 29 Nov 78 p 1)

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5th Engineer Co, Armor Command	Photo of floatation equipment. (QUAN DOI NHAN DAN 29 Nov 78 p 1)
17th Military Hospital, 5th MR	Excellent performance noted. (QUAN DOI NHAN DAN 29 Nov 78 p 1)
44th Co, 525th Truck Transportation Regt	Unit driver saves gas. (QUAN DOI NHAN DAN 29 Nov 78 p 3)
183rd Depot	Supply receiving squad commended. (QUAN DOI NHAN DAN 29 Nov 78 p 3)
Unit X.45	Helped in constructing the Quang An Level I and II School, Hanoi. (QUAN DOI NHAN DAN 29 Nov 78 p 3)
15th Div, Economic Construction General Department 566th Regt 270th Regt	Slow issue of uniforms reported. (QUAN DOI NHAN DAN 29 Nov 78 p 2)
773rd Gp	Operating the Bien Ho Tea Factory and Plantation in Gia Lai-Cong Tum Province. (QUAN DOI NHAN DAN 29 Nov 78 p 2)
Song Da Engineer Gp	Report on self support farming. (QUAN DOI NHAN DAN 29 Nov 78 p 2)
Post 173, PAPSF, Cao Lang Province	" " " "
Song Da Missile Gp	Improvement in overall quality of unit noted. (QUAN DOI NHAN DAN 30 Nov 78 p 1)
719th Regt, 33rd Gp	Work on a dam site reported. (QUAN DOI NHAN DAN 30 Nov 78 p 2)
Ba Vi Air Force Gp	Photo of artillery piece and prime mover being loaded into a Mig helicopter. (QUAN DOI NHAN DAN 30 Nov 78 p 3)
C5 [5th Co?], An Giang Province PAPSF	Unit signalman commended. (TIEN PHONG 31 Oct-6 Nov 78 p 2)
7th Co, 195th Bn, 8th Div	Unit member writes of killing 13 Cambodians in combat in the Dong Thap Area. (TIEN PHONG 31 Oct-6 Nov 78 p 13)
Dong Loc Gp, 4th MR	Training new soldiers. (QUAN DOI NHAN DAN 30 Nov 78 p 1)

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41st Gp, 4th MR	Unit member wins prize in athletic meet. (QUAN DOI NHAN DAN 28 Nov 78 p 1)
Thanh Hoa Gp	" " " "
Hai Van Gp	" " " "
Air Defense Command	Listed subordinate units nominated Hero
267th Regt	Units of the Armed Forces. (NHAN DAN
261st Regt	27 Nov 78 p 1)
228th Regt	
282nd Regt	
26th Regt	
910th Air Force Gp	Photo shows mechanics maintaining unit aircraft. (QUAN DOI NHAN DAN 1 Dec 78 p 1)
Truong Son Gp	Talent hunt spurred to maintain morale
Unit 32	of workers on Ho Chi Minh Trail.
Unit 84	
Unit 74	
-Unit 12	-Unit 12 has at least four com- panies. (QUAN DOI NHAN DAN 1 Dec 78 p 1)
Song Lam B Div	Cultural activities noted. (QUAN DOI NHAN DAN 1 Dec 78 p 1)
Pha Long Post, PAPSF	Self support farming reported. (QUAN DOI NHAN DAN 1 Dec 78 p 3)
Ba Vi Air Force Gp	Deputy Commander: Cao Thành. (QUAN DOI NHAN DAN 1 Dec 78 p 3)
144th Infantry Regt, General Staff	Unit training noted. (QUAN DOI NHAN DAN 4 Dec 78 p 1)
B.16 Gp, Tay Bac Forces	Self support farming reported. (QUAN DOI NHAN DAN 4 Dec 78 p 3)
Gia Dinh Gp 7th MR	Engaged Cambodians in Tan Bien District, Tay Ninh Province on 22 Nov 78. (QUAN DOI NHAN DAN 5 Dec 78 p 1)
3rd Bn, H.04 Gp	Overcame initial difficulties following conversion from cadre training unit to recruit training unit. (QUAN DOI NHAN DAN 5 Dec 78 p 1)

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902nd Bn, 86th Gp, Chemical Warfare Forces	Trained branch recruits. (QUAN DOI NHAN DAN 5 Dec 78 p 1)
6th Armored Gp, 4th MR	Conducted firing exercises from following type vehicles: PT85, PT75, K53, K63. (QUAN DOI NHAN DAN 5 Dec 78 p 3)
AH 190 General Depot, POL Department	Self help construction activities reported. (QUAN DOI NHAN DAN 5 Dec 78 p 3)
59th Regt, Capital Forces	Live fire exercise reported. (QUAN DOI NHAN DAN 5 Dec 78 p 3)
M35 Gp, 1st MR	Women unit members perform well in training. (QUAN DOI NHAN DAN 4 Dec 78 p 1)
85th Gp, 4th MR	Recently began work on a 56 kilometer section [new construction] of Highway 7B. (QUAN DOI NHAN DAN 6 Dec 78 p 1)
272nd Gp	Irregularities in operation of unit kitchen noted. (QUAN DOI NHAN DAN 6 Dec 78 p 2)
Phu Dong Radar Gp 28th Co 42nd Co 24th Co	Activated on 1 Jun 66. (QUAN DOI NHAN DAN 6 Dec 78 p 3)
Phong Chau Regt, Vinh Phu Province Local Forces	Good results in training and self support farming reported. (NHAN DAN 7 Dec 78 p 1)
4th Co, 6th Navy Gp	Unit tank driver commended. (NHAN DAN 7 Dec 78 p 1)
B.11 Div, Tay Bac Forces	Self support farming noted. (NHAN DAN 7 Dec 78 p 3)
49th Gp, Economic Construction General Department	" " " "
La Nga Gp, 7th MR	" " " "
808th Gp, Rear Service General Department	Activated in 1976 with a farming mission in South Vietnam. In 1976 cleared land for farming in Long Thanh and Nhan Trach Districts, Dong Nai Province. In

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	1977 did water conservancy work in Ben Thu District, Long An Province. This year did flood relief work in the Dong Thap Muoi area. (NHAN DAN 7 Dec 78 p 3)
5th Signal Gp	Photo of new troops on a field march. (NHAN DAN 7 Dec 78 p 3)
Nam Lien Signal Regt	Recent wire installation work reported. (NHAN DAN 7 Dec 78 p 3)
Air Force	Training achievements noted. (NHAN DAN 7 Dec 78 p 3)
Thang Long Gp	
Ba Vi Gp	
Sao Do Gp	
Hai Van Gp	
Yen The Gp	
Lam Son Gp	
Cuu Long Gp	
Hau Giang Gp	
Nong Nai Gp	
18th Gp	
17th Gp	
36th Gp	
9027th Gp	
26th Armored Gp, 7th MR	Successfully completed a firing exercise with tank mounted 12.7mm machine-guns. (QUAN DOI NHAN DAN 7 Dec 78 p 1)
N.71 Gp, Rear Services General	Issues orders on preservation of items of historical significance. (QUAN DOI NHAN DAN 6 Dec 78 p 1)
29th Navy Gp	Meets fishing goals for end of Oct 78. (QUAN DOI NHAN DAN 8 Dec 78 p 4)
8th Gp, 3rd MR 246th Bn	Built 102 kilometers of axial road in addition to feeder roads into the Dao tribal areas of North Eastern Vietnam. (QUAN DOI NHAN DAN 7 Dec 78 p 2)
13th Co [Phu Dong Radar Gp]	Photo of truck mounted dipole antenna array. (QUAN DOI NHAN DAN 7 Dec 78 p 3)
26th Anti Aircraft Artillery Regt	Unit reading habits noted. (QUAN DOI NHAN DAN 8 Dec 78 p 1)

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Ngu Binh Gp	Data on continuing education for troops given. (QUAN DOI NHAN DAN 8 Dec 78 p 1)
73rd Gp	" " " "
26th Armored Gp, 9th MR	Self support farming reported. [NOTE: this list includes a unit with this designation in the 7th MR]. (QUAN DOI NHAN DAN 8 Dec 78 p 3)

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INTERNATIONAL RELATIONS, TRADE AND AID

JAPANESE ANALYSIS OF ROOTS OF SRV-PRC CLASH

Tokyo KOKUBO (The National Defense) in Japanese Vol XXVII, No 11, Nov 78
pp 58-72

[Article by Kunio Matsushima: "The Deep-rooted Antagonism Between China and Vietnam--A Study on Circumstances and Basic Factors of the Ethnic Chinese Problem"]

[Excerpt] As said so far, the precipitous deterioration in relations between China and Vietnam since May of this year certainly began with the ethnic Chinese problem. If, however, the ethnic Chinese problem alone were the essence of the confrontation, then it would probably be possible to restore relations by concessions on one side or by mutual compromise. The root causes of the current situation, however, are not to be found in the ethnic Chinese question. We have to feel that even were Vietnam to change its policy on ethnic Chinese as demanded by the PRC, it would not be possible to restore relations with China.

This is because it is possible to understand the worsening relations between the two countries as phenomena of the past few years, and there are root causes which brought about phenomena such as this. Furthermore, during the 2,000 years of Vietnam's history as a nation, Vietnam has been controlled by China. This historical fact has implanted in China a sense of being the powerful country and in Vietnam a sense of being the victim. Consequently, this historical fact further complicates the confrontation between the two states.

As a phenomenon, feuds between the Communist Parties of the two countries occurred even during the time of the people's liberation struggle. The Sino-American rapprochement symbolized by the Nixon visit to China (1972) and Vietnam's reaction against the visit, the Chinese side's reaction against general support for the Soviet Union's foreign policy (at the time of the Vietnamese party and governmental visit to the Soviet Union in 1975), and recently, Vietnam's dissatisfaction with China's support for Cambodia (1977) are instances of this. The ethnic Chinese problem, too, is the type of thing that should be seen from this viewpoint; it is not something which occurred all of a sudden. In back of the problem are those factors which can be called the root causes of the confrontation, and unless these root causes are resolved, it is safe to say that contention between the two countries will continue.

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The basic causes are found in the differences and competition between the party lines held by the Communist Parties of the two countries. Specifically, (1) differences become apparent in the two parties' strategies for world revolution (foreign policy line) and (2) competition becomes apparent in their lines on the building of a socialist state (domestic policy line).

As far as (1) is concerned, there are differences between "the theory of three worlds" which the Chinese Communist Party began to stress after 1974 and "the theory of three currents" upon which the Vietnamese side has insisted since 1970.

China divides the world into three categories; it classifies the United States and the Soviet Union as the first world, developed capitalist countries other than the United States as the second world, and nations made up of exploited and oppressed peoples as the third world (China ranks itself in the third world). China says that a socialist camp does not exist. Thus China sets forth the line that the United States and Soviet Union, the two countries seeking hegemony, who belong to the first world, are the common enemies of all peoples of the world, and the Soviet Union in particular is a hotbed for world war. China calls on the third world and the second world to unite in resisting the first world, particularly the Soviet Union. In short, China sees the Soviet Union as its primary enemy.

In contrast to this, the basic features of the international situation in Vietnam's view are that (1) socialism has become a world system, (2) people's liberation movements have developed in strength and (3) labor movements in the capitalist countries have grown. In addition, Vietnam says that there are three main revolutionary currents, first, the socialist camp, second, the power of the anti-imperialist people's independence movements in Asia, Africa and Latin America. Vietnam says that these streams should unite, and China and the Soviet Union in particular should work together to destroy imperialism, which is led by the United States. Unlike China, Vietnam sees the United States as the primary enemy, and does not regard the Soviet Union as an enemy. Differences over whom to regard as the primary enemy also cause the two states' conflicting views on the United States' military presence in Southeast Asia. That is, China, which regards the Soviet Union as the primary enemy, hopes, from the viewpoint of preventing Soviet inroads, for maintenance of a United States military presence. Vietnam, which sees the United States as the primary enemy, insists on withdrawal of United States military power. In short, Vietnam's demands spring from an anti-imperialist position rather than a pro-Soviet anti-Chinese position, but it is clear that from the Chinese side's viewpoint, Vietnam is seen as serving the Soviet Union. A move of recent years which should be noted in this connection is the fact that Vietnam has positively assessed the Soviet policy of detente as beneficial to the international communist movement, and has supported the detente policy in the joint Soviet-Vietnamese statement in 1975. (Vietnam had previously opposed the detente policy on the grounds that it would only be used to advantage by the imperialists.) Accordingly, it is a fact that Vietnam's foreign policy is coming closer to the position of the Soviet Union.

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What cannot be overlooked, however, is that there seem to be differences between the two countries regarding policy on Southeast Asia as well. Vietnam divides Southeast Asia into Indochina and Southeast Asia other than Indochina. In the Indochinese region Vietnam aims to consolidate Laos and Cambodia under the leadership of Vietnam, and in the region of Southeast Asia other than Indochina Vietnam's goal is construction of Southeast Asia by Southeast Asian peoples without the intervention of major powers. China, however, regards Southeast Asia as its sphere of influence and does not wish Vietnam to exercise influence in Southeast Asia. China's criticism of Vietnam for "regional hegemony" or "small scale hegemony" is, in fact, criticism on this point.

As far as (2) the line on domestic construction is concerned, the two countries have long had a relationship which, basically, is one of competition rather than differences, and this has caused headaches for both countries. As its general line on construction of a socialist economy, Vietnam calls for "simultaneous prosecution of the three revolutions (revolution in production, revolution in science and technology, and revolution in thought and culture) of which the key role is to be played by revolution in science and technology. This is equivalent to the three great revolution of the Chinese Communist Party (class struggle, struggle for production, and scientific experimentation). Where the two lines differ is on whether to give precedence to science and technology (scientific experimentation) (as does Vietnam) or to give precedence to class struggle (revolution in thought and culture) (as does China). Since the expulsion of the "gang of four," however, China has targeted "achievement of the four modernizations by the end of this century." Since Vietnam is trying to achieve socialist industrialization within 20 years, differences with Vietnam on this point have disappeared. Furthermore, both countries have the same time frame for achieving modernization.

Given the current situation in which there are great differences in the two countries' foreign policies, however, this competitive situation will have decisive significance regarding the effect on the two countries, depending on which one achieves modernization first. This will lead to an assessment within the international communist movement and will have repercussions on the two states. For China in particular, were Vietnam to achieve modernization before China, the effect would be serious. If such a situation were to come about, the communists in Southeast Asia (the mainstream is pro-Chinese) would probably abandon the line of Mao Tse-tung and be won over to Vietnam. This would show the world the failure of the Chinese line, and China absolutely must prevent this kind of situation. In this sense, too, competition is not desirable.

It seems safe to say, as indicated above, that differences between the two countries on their stance regarding the Soviet Union in world revolutionary strategy and their competitive relationship in policy on domestic construction led to friction at the stage when policy was implemented following the Vietnamese war, and this culminated in the ethnic Chinese problem and suddenly became a confrontational situation. If the root cause of the deterioration

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of Sino-Vietnamese relations does lie in competition and differences in the party lines of the two countries, then it is a natural development that the two countries' policies, which are based on the party line, would be mutually repulsive and incompatible.

Currently it seems that China is using the ethnic Chinese problem to put pressure on Vietnam. This is because, in prosecuting its own line, China has adopted the strategy of (1) thoroughly using what can be used; (2) neutralizing what cannot be used and (3) isolating what China opposes. Consequently, the pressure on Vietnam, too, must be seen as having been applied in accordance with this strategy.

In this sense, China has been applying pressure on Vietnam in various ways since the end of the Vietnamese war; e.g., (1) claims of sovereignty over the Spratly and Paracal Islands, (2) Chinese support of Cambodia in the Vietnamese-Cambodian border dispute and, (3) measures to reduce the aid it had been giving Vietnam prior to the surfacing of the ethnic Chinese problem (grant aid cut off in 1975 and economic loans cut off in 1977). The ethnic Chinese problem, too, can be seen as part of this policy.

In this case, China's intention in making an issue of the departure of the ethnic Chinese is to block completely the spread of Soviet influence in Vietnam, which is China's neighbor, and to isolate Vietnam politically and economically. Specifically, China's intentions probably were (1) not to have the Soviet Union building military bases in Vietnam, (2) to block Vietnam's assumption of leadership and (3) to prevent Vietnam's attainment of modernization. In addition, China probably would like to prevent any Vietnamese rapprochement with the Soviet Union. Pursuit of goals (2) and (3) however, might be a factor which would encourage the rapprochement, but will not be a factor in preventing it. Because of this, it is thought that, for the short term, China has given up the idea of preventing Vietnamese rapprochement with the Soviet Union, and is stressing achievement of goals (1), (2) and (3). China seems to have made (1), in particular, its main objective, and by actively engaging in critical propaganda which emphasizes the Vietnamese-Soviet military connection, China is rekindling a feeling of wariness of the Soviet Union and Vietnam among the ASEAN countries. (Association of Southeast Asian Nations). It is safe to say that as a result of this, a brake has been put on Soviet inroads into this region.

Conversely, however, it is a fact that the attitude of China, which seems to have refused its hand to its former comrade, Vietnam, has operated to heighten apprehension toward China on the part of the ASEAN countries that have many ethnic Chinese. In order to soothe the apprehensions of these ASEAN countries, China has insisted that the ethnic Chinese problem "covers only Vietnam and will not be applied to other countries."

For the present, China, on the one hand, is making every effort to criticize Vietnam through the negotiations being held in Hanoi and, on the other hand, by artificially creating a tense border situation between itself and Vietnam

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(causing disturbances using ethnic Chinese who have been detained at the border, concentrating troops in the border area, violating airspace and stirring up small disputes using minority groups) and by continued support for Cambodia in its continuing border dispute with Vietnam, China seems to be aiming at forcing Vietnam to make heavy military and economic outlays.

In response, Vietnam criticizes China's attitude but, at the same time, it is persistent in calling for settlement through consultations. On the other hand, however, militarily Vietnam is trying to build up its border defenses and, economically, it has shown a tendency to look to the western countries such as France and Germany, and particularly Japan, to make up for the amount of Chinese aid which has been cut back. Politically, Vietnam has revised its former policy of regarding ASEAN as an enemy and is actively proceeding with maneuvers to move closer to ASEAN by taking a flexible stance regarding even the concept of neutralizing ASEAN. This clearly can be taken as a move aimed at escaping from political isolation. It seems to be considering the advantages and disadvantages of deciding on military coercion in its border dispute with Cambodia (putting Thailand and the other ASEAN countries on guard, China's reaction, post-conflict disposition). At present Vietnam is making no visible active moves against Cambodia; however, in view of the reports that it is training an anti-government element of 10,000 persons, it is conceivable that in the future it will adopt a policy of weakening the Pol Pot regime through internal harassment.

Thus Sino-Vietnamese relations present a situation which transcends the ethnic Chinese problem; it is a situation in which the national policies of the two countries clash head on, sending sparks flying. Both countries are well aware that drawing in western and ASEAN countries as allies will determine eventual victory or defeat. Both countries are actively moving closer to western and ASEAN countries. In other words, it can be said that the outcome for the balance of power in Southeast Asia is in the hands of the non-communist ASEAN and western countries; but, in this case, it must not be forgotten that the countries engaged in the competitive struggle are both socialist countries that espouse international proletarianism, and their goal is to achieve leadership in the international communist movement.

The side that has suffered the heaviest blow from the deterioration of Sino-Vietnamese relations is probably Vietnam, which has been pouring all of its strength into economic reconstruction. In particular, the effect of the complete cut off of Chinese aid on the Second Five-Year Plan, which is now in progress, will be serious.

There are limits to Soviet and East European aid, and diversification of aid sources will be a pressing problem for Vietnam, as it aims for economic reconstruction while enduring economic sanctions from China. In back of Vietnam's recent positive diplomatic offensive lies the very difficult situation of worsening circumstances in its domestic economy. It can be said that Vietnam, which has endured 30 years of protracted warfare, is now placed in serious danger over relations with its giant neighbor, the PRC.

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INTERNATIONAL RELATIONS, TRADE AND AID

PRIORITY GIVEN TO COMECON IN FINANCING

Tokyo MAINICHI DAILY NEWS in English 19 Dec 78 p 5

[Interview with Le Khac, vice president of the State Planning Committee]

[Text]

Le Khac, visiting vice president of the Vietnamese State Planning Committee, said Monday that Vietnam will seek foreign capital far and wide to finance its economic rehabilitation projects but priority will be given to socialist countries.

He also said that a number of big projects initiated under the support of the Chinese are now steadily progressing with the cooperation of Comecon member countries, notably, the Soviet Union.

He made those points as he met the Mainichi Daily News for an exclusive interview at a hotel in Tokyo. Excerpts:

MDN: What sort of effects do the conflicts between Vietnam and Cambodia and Vietnam and China have on Vietnam's economic rehabilitation projects? Have those projects stopped with the suspension of aid from Peking?

Le Khac: We have suffered a serious blow from the suspension of Chinese aid and withdrawal of Chinese engineers from our country. But the Vietnamese are working hard, day and night,

under the spirit of self-reliance to continue the projects. With the suspension of aid by Peking, we turned to Comecon for help, which was given to us immediately. With the assistance of Comecon countries, the projects, started with Chinese are steadily progressing.

MDN: How much aid does Vietnam get from Comecon countries? Did Vietnam join the Comecon to solve the shortage of capital?

Le Khac: It would be wrong if you think the shortage of capital was the reason for our joining the Comecon. During the last war, we could not meet the requirement to join the Comecon, the requirement to pursue division of production within the framework of Comecon. Due to the war, we could not produce goods which could be supplied to Comecon member countries. But now, we can meet this requirement.

We hope to build a solid foundation of socialism and improve our standard of living. European countries in the Comecon want to buy our tropical produce and, in exchange, we can get products from Comecon countries that we

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cannot produce ourselves. We joined the Comecon with the view of utilizing efficiently the economic potential those Comecon countries have.

As you know, aid comes from many different sources, and I could not describe the size of the aid we get from Comecon.

MDN: What is Vietnam's policy in developing oil reserves, notably, off the Mekong? Will the development be done mostly with the aid of the Russians or Comecon countries?

Le Khac: We have a strong potential in our oil reserve. Many countries have offered cooperation in the oil development. During the war, we asked for cooperation by the Soviets to develop underground oil deposits, and we intend to expand the cooperation with the Soviets. We also hope to receive cooperation from private enterprises.

MDN: From capitalist countries?

Le Khac: Yes. West Germany, Italy, France, Canada, and Norway have offered cooperation to us. A Japanese firm also showed interest in oil development project.

MDN: How are you going to repay the capital, with oil or money?

Le Khac: Each private firm will explore oil deposits at its own risk. And if it taps an oil reserve, the firm will pump the oil with its own capital, which will be repaid by our oil.

MDN: How much foreign capital do you need for your economic rehabilitation projects? And what are the sources?

Le Khac: The objective of the projects are to cure the wounds from the last war, basically, with our own efforts. But we do need foreign capital. In seeking foreign capital, priority will be given to socialist countries. But this does not exclude assistance from capitalist countries.

MDN: What has become of the carbide plant and thermal power plant projects? Did you seek 50 billion yen credit when you met Foreign Minister Sunao Sonoda?

Le Khac: Proposals have been made by Japanese firms.

MDN: What about the yen credit?

Le Khac: We haven't reached agreement.

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INTERNATIONAL RELATIONS, TRADE AND AID

BRIEFS

COOPERATIVE LOANS FROM JAPAN--The Bank of Tokyo announced on the 21st that a group of banks of our country with Tokyo Finance Limited, which is the local juridical person in Hong Kong of the Bank of Tokyo, as leader will extend cooperative loans of DM 3,959,000 (about Y400 million) in total to the Vietnam Foreign Trade Bank. It was signed in Tokyo on the same date. This fund will be appropriated for purchase of synthetic fibers from such as Japan. As the Investment Group besides the leading Bank, three Banks--Fuji Bank, Taiyo Kobe Bank, and Yasuda Trust and Banking--will participate. [Tokyo NIHON KEIZAI in English 22 Nov 78 p 3]

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HEAVY INDUSTRY AND CONSTRUCTION

BRIEFS

JOINT FRANCO-VIETNAMESE COMPANY--The French Heli-union Company and the Vietnamese state enterprise, Petrovietnam, have signed a contract setting up Helivifra, a helicopter transportation company. This took place in the face of stiff British, Dutch, Japanese and Canadian competition. Helivifra, with 51 percent of its capital held by Petrovietnam, will employ four French helicopters for petroleum prospecting off the Vietnam coast. Heli-union will train the pilots and technicians. [Text] [Paris VALEURS ACTUELLES in French 18 Dec 78 p 21]

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